

CONTRACT PERIOD THROUGH **JUNE 30, 2003**

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **HP & HP COMPATIBLE HARDWARE MAINTENANCE &  
SOFTWARE SUPPORT**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by the Board of Supervisors on **June 7, 2000**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

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Wes Baysinger, Director  
Materials Management

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Attach

Copy to: Clerk of the Board  
**Tim Sanger, Animal Control Services**  
**Rick Dymalski CIO**  
**Barbara Budinetz, CIO**  
**Vickie Averbeck, Juvenile Court**  
Monica Mendoza, Materials Management  
John Garcia, County Attorney  
**Jim Baker, MCDOT**

SPECIFICATIONS ON INVITATION FOR BID FOR:

**HP & HP COMPATIBLE HARDWARE  
MAINTENANCE & SOFTWARE SUPPORT**

1.0 **INTENT:**

- 1.1 The intent of this call for bid(s) is to establish a requirements contract for HP & HP Compatible Based Hardware Maintenance, Software Upgrades, Service and Support for Maricopa County.
- 1.2 The County's current equipment is divided among the following groups  
  
(SEE EXHIBIT 1, FOR INVENTORY LIST).
  - 1.2.1 County Attorneys Office
  - 1.2.2 Legal Defenders Office

This list will be used for defining specific equipment maintenance requirements. System configurations will be confirmed prior to contract execution.
- 1.3 Bidders are required to submit a percentage discount from a dated price list for all items for which they are able to provide maintenance but are not called for specifically in the pricing pages (Attachment A).
- 1.4 Prices bid shall be the same discounts offered from price lists.
- 1.5 The same discounts shall be in effect for additional equipment added to the contract throughout the contract period.
- 1.6 The contractor(s) must agree to coordinate the services with other contractors and with each department. The contractors shall also be responsible for establishing a designated point of contact for each department.
- 1.7 Bidders are required to submit a percentage discount from a dated price list for all items in their line, which may be used for new configurations, and to add to the existing systems, (i.e., Hardware, Software, Supplies & Accessories).

2.0 **TECHNICAL SPECIFICATIONS:**

- 2.1 The maintenance service commencement date for a machine under this agreement will be the date designated by the County or the day following the last day of the service and parts warranty period, if applicable, whichever is later. THE CONTRACTOR GUARANTEES THE AVAILABILITY OF MAINTENANCE SERVICE 24 HOURS PER DAY, SEVEN (7) DAYS PER WEEK INCLUSIVE OF ANY AND ALL HOLIDAYS. THE DEPARTMENTS UTILIZING THIS CONTRACT WILL DETERMINE WHAT AN ACCEPTABLE LEVEL OF MAINTENANCE SERVICE WILL BE FOR THEIR INDIVIDUAL ENVIRONMENTS; WHETHER IT BE 7x24, 7x8, ETC. The contractor shall provide all maintenance service(s) necessary to maintain the machines in good operating condition. Maintenance service shall include scheduled preventive maintenance (PM) based upon specific needs of individual machines as determined by the manufacturer and unscheduled on-call remedial maintenance.

Maintenance service(s) shall include lubrication, adjustments, and replacement of parts and labor. Qualified maintenance engineers, totally familiar with all of the equipment installed at the County site shall perform all maintenance. THE CONTRACTOR SHALL NOT SUBCONTRACT OR PERMIT ANYONE OTHER THAN THE AWARDED CONTRACTOR(S) PERSONNEL TO PERFORM ANY WORK, SERVICES OR OTHER PERFORMANCE REQUIRED OF CONTRACTOR UNDER THIS CONTRACT WITHOUT PRIOR WRITTEN CONSENT OF THE COUNTY. Maintenance parts will be furnished on an exchange basis and the replaced parts shall become the property of the contractor. Only new standard O.E.M. parts or parts of equal quality (refurbished) shall be used in effecting repairs. The vendor shall be prepared to submit certification of quality accompanying any rebuilt part. The County must approve all new O.E.M. parts.

2.2 ADDITION/DELETION OF MACHINES OR EQUIPMENT:

Individual machines may be withdrawn from or added to this contract or a specific purchase order upon 30 days of notice to the contractor with proper adjustment of the monthly maintenance charges for the machine(s) deleted/ added. Should the County acquire a machine from a third party, the contractor agrees to perform an inspection of the machine prior to installation and shall indicate whether or not the machine is acceptable for maintenance. If the machine is determined to be not acceptable, the contractor shall note the deficiencies that must be corrected to make the machine acceptable for service. This inspection shall be at no charge.

If the third party machine is acceptable and is installed and operating ninety-six (96%) percent of the stated machine operating time for 30 days, it shall be accepted for maintenance under the terms of this contract. If the machine differs from installed equipment in manufacturer or model number, then the monthly contract maintenance price for that machine shall be mutually agreed to and be made a part of the contract. During the 30 days grace period a time and materials rate will apply.

The contractor shall notify the County in writing of any individual hardware products that can not, in the Contractor's, opinion be properly serviced due to excessive wear, deterioration, unavailability of parts, and documentation so these products may be withdrawn from service upon 30 days prior notice.

2.3 PERIOD OF MAINTENANCE SERVICE:

The period of service under this agreement shall be per the attached schedules and as selected by each County Department. This period, designated the Principal Period of Maintenance (PPM), may be changed by the County upon 30 days of notice. In addition, the County may select an optional period of maintenance via a PPM upgrade or, at the hourly rates set forth in this agreement upon 30 days notice. If the County requests maintenance outside the selected Principal Period of Maintenance, it shall be provided at the hourly rates set forth in this agreement, and shall be called On-Call Maintenance. No charge for parts, additional labor, travel time or any other item other than the specified hourly rate shall apply to On-Call Maintenance. If the County places a maintenance call within the Principal Period of Maintenance, the contractor shall exercise continuous effort to restore the machine(s) to good operating condition per escalation language without additional costs.

Contractor agrees to provide all resources necessary, including additional personnel, to complete the maintenance required in the most expeditious manner. Regardless of the number of maintenance personnel actually required to complete a service call, the County shall pay for the services of one (1) maintenance representative per price agreement and payment shall be made on the basis of the On-Call Maintenance Hourly Rates.

Charges for maintenance outside the Principal Period of Maintenance shall be subject to the written approval of the maintenance services by a designated representative of the Department.

2.4 PREVENTIVE MAINTENANCE:

Within 30 days of placing equipment under maintenance, the contractor shall provide the County, in writing, a statement of the number of hours of system time required for preventive maintenance.

A preventive maintenance schedule will be selected by the County and furnished to the contractor in writing. The County Department may develop this schedule after consultation with equipment manufacturer and the maintenance vendor. If equipment manufacturer's preferred and documented PM schedule differs from the maintenance vendor recommendations the County Department will select the schedule to be followed and the maintenance vendor will honor the determined schedule per the specifications of this contract. This schedule may be changed upon 30 days notice. No additional charges are applicable to preventive maintenance (PM). PM to be scheduled during off-peak hours, as determined by department.

2.5 RECORDS OF SERVICE:

The contractor shall maintain a record of all service performed on each machine, including all field or engineering changes performed. THIS SERVICE RECORD SHALL BE AVAILABLE ON-SITE

AT THE INSTALLATION AND SHALL BE FURNISHED FOR REVIEW IF REQUESTED BY THE COUNTY. The service record shall be an individual record, identifying the machines explicitly, with the complete history of dated service and engineering changes recorded therein. THE CONTRACTOR SHALL ALSO FURNISH THE COUNTY A RECORD OF EVERY CALL, SIGNED BY THE MAINTENANCE REPRESENTATIVE AND THE SENIOR COMPUTER ROOM EMPLOYEE OR ON SITE CONTACT PERSON AT THE COMPLETION OF THE CALL. This record shall at a minimum set forth:

- 2.5.1 Time County placed the service request.
- 2.5.2 Time contractor's maintenance representative arrived on site.
- 2.5.3 Explicit identification of machines(s) serviced and a record of the EXACT service action, including parts replaced, if any.
- 2.5.4 Problem initially reported by the County.
- 2.5.5 A record of time the County held the machine preventing maintenance by the maintenance representative.
- 2.5.6 Time of completion of the call and actual hours spent on service.
- 2.5.7 The maintenance representative's judgement as to whether the service was billable or not billable.
- 2.5.8 Start and complete date.

The contractor will also furnish a copy of the service call, with the above information, including signatures of both parties attached to the billable invoices. The signature of the County representative does not signify that the equipment is operating as required. The County will determine this by operation, and in doing so the quality of service.

## 2.6 RESPONSE TIME:

THE CONTRACTOR SHALL PROVIDE THE COUNTY WITH A DESIGNATED POINT OF CONTACT AND MAKE ARRANGEMENTS TO ENABLE HIS MAINTENANCE REPRESENTATIVES TO RECEIVE REQUESTS FOR MAINTENANCE SERVICE.

The contractor will respond to all requests for maintenance on equipment covered by this contract per attached equipment specifications list. This shall apply regardless of the hour or day of the week the call was placed, the principal period of maintenance, or optional maintenance periods selected. For critical situations (i.e., failure of system software or system equipment defined as critical such as the CPU, DASD, etc), the contractor agrees to have a qualified technician on-site per attached specifications. RESPONSE TIME SHALL BE MEASURED FROM THE TIME THE COUNTY FIRST PLACED A CALL TO THE CONTRACTOR'S MAINTENANCE SERVICE AND ENDS WHEN THE MAINTENANCE REPRESENTATIVE ARRIVES ON SITE READY TO PERFORM REQUIRED SERVICE. Contractor agrees that the response time standard is reasonable and shall meet this standard.

At time of problem call, customer will indicate to vendor the severity of the problem as follows:

- 2.6.1 Emergency - Mission Critical System inoperable and major impact on business. (1 Hour Response Time)
- 2.6.2 Urgent - Production system affected and business in reduced in its capability. (2 Hour Response Time)
- 2.6.3 Serious - Reduced capabilities. (4 Hour Response Time)
- 2.6.4 Normal - Some device down but impact on business is nominal. (8 Hour Response Time)
- 2.6.5 There is to be no difference in level of quality, responsiveness, or service techniques between full service maintenance or time and material.
- 2.6.6 If maintenance and repair cannot be accomplished within 24 hours of the original County notification of a problem, and if the call is classified as Emergency or Urgent, the County reserves the right to contract with another vendor to fix the problem and will bill the Primary Contractor for all charges associated with fixing the problem. In addition, the County will not be responsible for any charges by the primary contractor to fix the problem(s).

Each failure to meet the required response time will be recorded by the using agency. FAILURE TO MEET THE RESPONSE TIME REQUIREMENT WILL RESULT IN THE INITIATION OF THE COUNTY'S DEFAULT POLICY.

**2.7 FIELD CHANGES:**

In writing the contractor shall inform the contact person of each department listed of any engineering, revision levels or field changes available from the manufacturer of a machine. THE CONTRACTOR SHALL INDICATE WHEN ANY CHANGE IS MANDATORY FOR CONTRACTOR MAINTENANCE CERTIFICATION BY THE MANUFACTURER. An FCO will be applied under the provisions of this contract i.e. No additional travel, labor charges or parts will be billed by the equipment installer. (Parts for mandatory changes are not billable) If the change is not mandatory, the contractor shall indicate the purpose or desirability of the change for the County. The County shall advise the contractor whether or not to install the non-mandatory change. The contractor will install the change upon approval or request of the County at a cost no greater than that charged by the manufacturer. When informing the County of any change, the contractor shall also indicate the number of hours required to install the change including any testing deemed necessary to insure the return of the machine to good operating condition.

The contractor must notify the County whenever they learn a part, component, or software program has been identified by the contractor as being defective, or contains errors. This notification shall occur even when the defect or error is not likely to effect operations. Notification is to be made in writing or via electronic mail to the contact person of each department listed. The contractor shall advise the County the estimated total time to replace and/or repair the defective components or issue a software fix. The County understands that scheduling of replacement or repair of defective components or software is based upon the level of service of the individual department(s).

**2.8 RESTORATION OF MACHINES TO OPERATING CONDITION:**

Upon return of a machine or the system after completion of a service call, the contractor warrants the machine and system to be in good operating condition. Should the same failure occur again or the same machine fail again, for any reason, within a 24 hour period, it will be the original service request and the intervening return to service by the contractor will be used to accumulate total down time.

**2.9 MACHINE EFFECTIVENESS LEVELS:**

The County desires the computer system, consisting of all equipment (except system critical equipment) under this contract, shall operate effectively as a system and to all standards of performance at the levels called for on equipment specification list. The contractor agrees that this performance level is reasonable and contractor will apply its best efforts to achieve this performance level.

The contractor further agrees all equipment under this contract shall achieve the minimum effectiveness level specified on attached equipment specifications list on a monthly basis. The effectiveness level for a machine is computed by dividing the available use time by the sum of the available use time plus the machine failure down time. Scheduled preventative maintenance and installation of Field Change Orders (PM and FCOs) are excluded from machine failure downtime. Should the County delay making equipment available for repair, the period of delay shall not be counted as down time for the equipment and the vendor is responsible for recording such a delay in the on-site service record. Contractor agrees any of the following constitute machine failure and down time for the machine:

- it fails to operate;
- it fails to operate in accordance with specifications;
- it operates inconsistently or erratically;
- it is in the process of being repaired or maintained;
- a component of the machine is inoperative which renders the machine useless;
- it is not operating because there is potential danger from operation of the machine to operators or employees.

Each failure to meet the stated effectiveness level will be recorded by the using agency. Failure to meet machine effectiveness levels will initiate the County default policy.

**EXAMPLE:**

This section needs to be clearly understood by the vendors. For a 7 day/24 hour operation, a 96% formula in one month would mean that if a machine is down for more than 28.8 business hours within 30 days, the effectiveness level is lost. System critical equipment requires a mean effectiveness level of 98%. If the machine is down more than 14.4 hours within 30 days, the effectiveness level is lost. Similar calculations can be made for operating environments of 7x8, 5x24, etc.

Down time will be measured from the time the call is logged to the vendor (whether the vendor representative is on-site or not). Therefore, the vendor(s) need to commit to having the systems operational within the allotted time.

**2.10 ACCESS TO MACHINES:**

The County agrees to provide the contractor access to its machines as required for services under this agreement. The contractor agrees to provide due care and diligence to ensure that: (1) no destruction of data in files or records within the installation occurs as a result of any act, intentional or otherwise by any representative of the contractor, and (2) the contractor's representative will not record, copy or remove any software or hardware (including parts) not belonging to contractor.

The contractor also agrees to: (1) provide a list of all field engineering personnel by name, that will service the equipment under this contract and (2) provide each employee with a photo I.D. card to be used as identification for access to the County's facilities. Should data destruction be diagnosed as necessary by the vendor, the vendor must get written permission from the agency prior to taking any action.

All access to equipment is at the convenience of the County. Additionally, the contractor agrees to give the County no less than one (1) business days notice prior to accessing any of the County's equipment. Any visit without proper notice is not chargeable to the County.

**2.11 EXCLUSIONS:**

Maintenance service provided under this agreement does not include:

- 2.11.1 Repair of damage caused by failure to provide a suitable installation environment including electrical power, air conditioning or humidity control. However, the contractor shall notify the County with adequate warning IN WRITING when and if the installation fails to meet these requirements (other than occurrence of failure of the installation equipment, facilities or power) and shall also provide guidance and installation requirements on any new machines furnished by the contractor.
- 2.11.2 Repair of damage caused by use of the machines for other than data processing purposes.
- 2.11.3 Repair of damage caused by negligence, disaster, misuse, neglect and alterations by the County.

**2.12 RELOCATION OF EQUIPMENT:**

The County may, at its option, relocate any machine(s) under this contract to any other of the County's data processing installations without affecting the terms and conditions of this agreement. The contractor will de-install, relocate and reinstall (exclusive of transportation, packing and handling charges), at the per call rates, attached hereto, any equipment covered hereunder within the County's installations, so long as the installation is within the confines and geographic limits of Maricopa County, Arizona. When shipment to the new installation site is under the control of the contractor and damage is incurred which results in costs for either labor or parts to restore the machine(s) in good operation condition at the new site, such costs shall be borne by the contractor. If any costs are associated with this requirement, vendor shall state in the pricing section.

There shall be no charge to the County for equipment moved under "swap out" trouble shooting efforts especially when the County is providing the replacement equipment.

**2.13 CONTINUITY AND RENEWAL RIGHTS:**

Contractor agrees to provide the maintenance services as defined this contract for as long as the equipment is installed and the contract is in effect either for the initial term or through renewal.

**2.14 SPARE PARTS AVAILABILITY:**

Contractor shall maintain a local spare parts inventory of 95% for all departments to allow proper maintenance of equipment and to meet the effectiveness standards under this contract. The County reserves the right to inspect vendor parts inventory. Central distribution centers are acceptable to help meet this percentage standard if OVERNIGHT DELIVERY AT NO CHARGE TO COUNTY is provided and does not result in the equipment being down more than 24 hours from time of service call to contractor. If special arrangements with other 3rd party suppliers are necessary to meet the parts standard it is the responsibility of the vendor to make these arrangement(s).

The vendor is to review any spare parts stock request made by any department listed in 1.2 and either agree to stock parts as requested or respond in writing why the spare part stock will not be maintained. No department listed in 1.2 shall experience less than a 95% on hand stock rate on any parts specific to those department's operations.

On-site within 4 hours for system critical designated parts. On-site within 24 hours for non-system critical designated parts.

If the vendor does not stock a part, the vendor must have written agreements with a third-party per the arrangements outlined above and available for inspection as well.

Parts Counter Availability - Any charges related to the special opening of a parts supplier counter by the assigned maintenance vendor due to a local part shortage to resolve a County maintenance problem, will not be charged to the County.

**2.15 INTERFACE WITH OTHER MANUFACTURERS EQUIPMENT:**

The County shall have the right to connect the quoted equipment to any other equipment including peripherals, terminal devices, communications equipment or other computers or devices which may interface in some way with the quoted equipment.

The County may notify Contractor prior to any such connection and if Contractor shall deem it necessary or desirable for proper maintenance of equipment, the Contractor shall observe and/or participate in the interconnection and supply any interface devices required as described in published contractor manuals at published prices.

**2.16 REMOTE DIAGNOSTICS:**

If the systems currently in place and under maintenance utilize remote diagnostic technology, Contractor shall be 100% compatible with the ability to utilize these techniques. The contract vendor shall inform the County what hardware and software specifications are needed to establish remote diagnostics.

**2.17 LOCAL SERVICE;**

The successful bidder(s) shall have and maintain a local service station within the Phoenix metropolitan area. The station shall be capable of supplying and installing component parts and troubleshooting, repairing and maintaining the County's equipment.

**2.18 QUALIFIED TECHNICIANS:**

Bidders shall have on staff qualified technical personnel experienced in the maintenance of HP and HP compatible computer equipment, data communications equipment and system software. ALL TECHNICAL PUBLICATIONS AND DOCUMENTATION NECESSARY FOR COMPLETE MAINTENANCE IS THE RESPONSIBILITY OF THE VENDOR. The vendor agrees to provide all technical documentation for third party devices as well.

All vendors are required to communicate, coordinate, cooperate and participate with multiple vendors. This demand is for timely and quality resolution to any problem. Furthermore, the vendors shall work together to identify the problem and cause, recommend a solution, identify the responsible parties, and initiate the corrective action through its resolution.

- 2.19 The holiday rates for any time and material maintenance will only apply on holidays that are recognized by both parties. (New Years Day, Civil Rights Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day).

**3.0 SPECIAL TERMS & CONDITIONS:**

**3.1 TERMS AND PAYMENT:**

Payment under contract will be made in the manner provided by law. Invoices shall be prepared and submitted in accordance with the instructions provided on the Purchase Order. Invoices shall contain the following information: Purchase Order number, item numbers, description of supplies and or/services, sizes, quantities, unit prices and extended totals and applicable sales/use tax. The County is not subject to excise tax.

**3.2 USAGE REPORT:**

The Contractor shall furnish the County a quarterly usage report delineating the acquisition activity governed by the Contract. The format of the report shall be approved by the County and shall disclose the quantity and dollar value of each contract item by individual unit.

**3.3 ACCEPTANCE:**

Upon successful completion of the installation, the system shall be deemed accepted and the warranty period begins. All documentation shall be completed prior to final acceptance.

**4.0 CONTRACT TERMS AND CONDITIONS:**

**4.1 LANGUAGE FOR REQUIREMENTS CONTRACTS:**

Contractors signify their understanding and agreement by signing this document, that the Contract resulting from this bid will be a requirements contract. However, this Contract does not guarantee that any purchases will be made.

It only indicates that if purchases are made for the services contained in this Contract, that they will be purchased from the Contractor awarded that item. Orders will only be placed when a need is identified by a Using Agency or Department and proper authorization and documentation have been approved.

**4.2 CONTRACT LENGTH:**

This Invitation For Bids is for awarding a firm, fixed price purchasing contract to cover a three (3) year period.



**4.3 OPTION TO EXTEND:**

The County may, at their option and with the approval of the Contractor, extend the period of this Contract up to a maximum of two (2), one (1) year options. The Contractor shall be notified in writing by the Materials Management Department of the County's intention to extend the contract period at least thirty (30) calendar days prior to the expiration of the original contract period.

**4.4 ESCALATION:**

Any requests for price adjustments must be submitted thirty (30) days prior to the Contract renewal date. Justification for the requested adjustment in cost of labor and/or materials must be accompanied by appropriate documentation. Escalation shall not exceed the increase in the U.S. Department of Labor (Bureau of Labor Statistics) Consumer Price Index for Urban Consumers. Increases shall be approved in writing by the Materials Management Department prior to any adjusted invoicing submitted for payment.

**4.5 UNCONDITIONAL TERMINATION FOR CONVENIENCE:**

Maricopa County may terminate the resultant Contract for convenience by providing sixty (60) calendar days advance notice to the Contractor.

**4.6 TERMINATION FOR DEFAULT:**

If the Contractor fails to meet deadlines, or fails to provide the agreed upon service/material altogether, a termination for default will be issued. The termination for default will be issued only after it is deemed by the County, that the Contractor has failed to remedy the problem after being forewarned.

**4.7 TERMINATION BY THE COUNTY:**

If the Contractor should be adjudged bankrupt or should make a general assignment for the benefit of its creditors, or if a receiver should be appointed on account of its insolvency, the County may terminate this Contract. If the Contractor should persistently or repeatedly refuse or should fail, except in cases for which extension of time is provided, to provide enough properly skilled workers or proper materials, or persistently disregard laws and ordinances, or not proceed with work or otherwise be guilty of, a substantial violation of any provision of this Contract, then the County may terminate this Contract. Prior to termination of this Contract, the County shall give the Contractor fifteen (15) calendar days written notice. Upon receipt of such termination notice, the Contractor shall be allowed fifteen (15) calendar days to cure such deficiencies.

**4.8 APPROPRIATION CONTINGENCY:**

The Contractor recognizes any agreement entered into shall commence upon the day first provided and continued in full force and effect until termination in accordance with its provisions. The Contractor and the County herein recognize that the continuation of any contract after the close of any given fiscal year of the County which fiscal years end on June 30 of each year, shall be subject to the approval of the budget of the County providing for or covering such contract item as an expenditure therein. The County does not represent that said budget item will be actually adopted, said determination being the determination of the County Board of Supervisors at the time of the adoption of the budget.

**4.9 ORGANIZATION - EMPLOYMENT DISCLAIMER:**

The Contract is not intended to constitute, create, give rise to or otherwise recognize a joint venture contract or relationship, partnership or formal business organization of any kind, and the rights and obligations of the parties shall be only those expressly set forth in the Contract.

The parties agree that no persons supplied by the Contractor(s) in the performance of obligations under the contract are considered to be County employees, and that no rights of County civil service, retirement or personnel rules accrue to such persons. The Contractor(s) shall have total

responsibility for all salaries, wages, bonuses, retirement withholdings, workmen's compensation, other employee benefits and all taxes and premiums appurtenant thereto concerning such persons, and shall save and hold the County harmless with respect thereto.

**4.10 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:**

Notice is given that pursuant to A.R.S. § 38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S. § 38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the contract.

**4.11 INDEMNIFICATION AND INSURANCE:**

**4.11.1 INDEMNIFICATION FOR PROFESSIONAL LIABILITY**

To the fullest extent permitted by law, the CONSULTANT shall indemnify, and hold harmless the COUNTY, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including but not limited to attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted from the CONSULTANT'S negligent acts, errors, omissions or mistakes relating to professional services in the performance of this Contract. CONSULTANT'S duty to indemnify and hold harmless the COUNTY, its agents, representatives, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property, including loss of use resulting therefrom, caused by any negligent acts, errors, omissions or mistakes, related to professional services in the performance of this Contract including any person for whose negligent acts, errors, omissions or mistakes, the CONSULTANT may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

**For all other hazards, liabilities, and exposures:**

To the fullest extent permitted by law, the CONSULTANT shall defend, indemnify and hold harmless the COUNTY, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, expert witness fees, and the cost of appellate proceedings), relating to, arising out of or resulting from the CONSULTANT'S work or services. CONSULTANT'S duty to defend, indemnify and hold harmless the COUNTY, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, injury to, impairment or destruction of property including loss of use resulting therefrom, caused in whole or in part by any act or omission of the CONSULTANT, anyone CONSULTANT directly or indirectly employs or anyone for whose acts CONSULTANT may be liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

**Abrogation of Arizona Revised Statutes Section 34-226:**

In the event that A.R.S. § 34-226 shall be repealed or held unconstitutional or otherwise invalid by a court of competent jurisdiction, then this duty of indemnification shall extend

to all claims, damages, losses and expenses, including but not limited to attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted therefrom, caused in whole or in part by any negligent acts, errors, or omissions relating to professional work or services in the performance of this Contract by the CONSULTANT, or anyone directly employed by the CONSULTANT or anyone for whose acts CONSULTANT may be liable regardless of whether it is caused by any party indemnified hereunder, including the COUNTY.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the sole negligence of the COUNTY.

**4.11.2 INSURANCE REQUIREMENTS:**

CONSULTANT, at CONSULTANT'S own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of B++6, or approved unlicensed companies in the State of Arizona with policies and forms satisfactory to the COUNTY.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of the COUNTY, constitute a material breach of this Contract.

The CONSULTANT'S insurance shall be primary insurance as respects the COUNTY, and any insurance or self-insurance maintained by the COUNTY shall not contribute to it.

The policies required hereunder, except Workers' Compensation and Professional Liability, shall contain a waiver of transfer of rights of recovery (subrogation) against the COUNTY, its agents, representatives, officers, directors, officials and employees.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the COUNTY.

The insurance policies may provide coverage which contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the COUNTY under such policies. The CONSULTANT shall be solely responsible for the deductible and/or self-insured retention and the COUNTY, at its option, may require the CONSULTANT to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

The COUNTY reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. The COUNTY shall not be obligated, however, to review such policies and/or endorsements or to advise CONSULTANT of any deficiencies in such policies and endorsements, and such receipt shall not relieve CONSULTANT from, or be deemed a waiver of, the COUNTY'S right to insist on strict fulfillment of CONSULTANT'S obligations under this Contract.

The insurance policies required by this Contract, except Workers' Compensation and Professional Liability, shall name the COUNTY, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

**4.11.3 Commercial General Liability.** CONSULTANT shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a

\$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011093 or any replacements thereof. The coverage shall include X, C, U.

The policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision which would serve to limit third party action over claims.

The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form B, CG 20101185, and shall include coverage for CONSULTANT'S operations and products and completed operations.

4.11.4 Automobile Liability. CONSULTANT shall maintain Automobile Liability insurance with an individual single limit for bodily injury and property damage of no less than \$1,000,000, each occurrence, with respect to CONSULTANT'S vehicles (whether owned, hired, non-owned), assigned to or used in the performance of this Contract.

4.11.5 Workers' Compensation. The CONSULTANT shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of CONSULTANT'S employees engaged in the performance of the work or services, as well as Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee, and \$1,000,000 disease policy limit.

In case any work is subcontracted, the CONSULTANT will require the Subconsultant to provide Workers' Compensation and Employer's Liability insurance to at least the same extent as required of the CONSULTANT.

4.11.6 ERRORS AND OMISSION: The CONTRACTOR retained by the COUNTY to provide the work or service required by this Contract shall maintain insurance covering negligent acts, errors, or omissions arising out of the work or services performed by the CONTRACTOR, or any person employed by the CONTRACTOR, with a limit of not less than \$1,000,000 each claim.

4.12 CERTIFICATES OF INSURANCE:

Prior to commencing work or services under this Contract, CONSULTANT shall furnish the COUNTY with Certificates of Insurance, or formal endorsements as required by the Contract, issued by CONSULTANT'S insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Contract are in full force and effect. Such certificates shall identify this contract number and title.

In the event any insurance policy(ies) required by this contract is(are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the CONSULTANT'S work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to the COUNTY fifteen (15) days prior to the expiration date.

4.13 CANCELLATION AND EXPIRATION NOTICE:

Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the COUNTY.

**4.13.1 PERFORMANCE BOND:**

The successful Bidder will be required to furnish a Performance Bond in the amount of \$50,000 within 10 days from receipt of notification of award. Date of U.S. postmark will be accepted as date of delivery of Performance Bond. Contractors are requested to tender this bond on a document approved by the Arizona Department of Insurance. One Contractor failing to supply a Performance Bond as required will forfeit his right to the contract. A cashier's check, certified commercial check, irrevocable letter of credit or certificate of deposit, will be accepted in lieu of bond. Performance Bonds are to be identified with Bid Serial Number, Title and return address.

**4.14 OFFSET FOR DAMAGES:**

In addition to all other remedies at Law or Equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance under this contract.

**4.15 ADDITIONS/DELETIONS OF SERVICE:**

The County reserves the right to add and/or delete services to this Contract. Should a service requirement be deleted, payment to the Contractor will be reduced proportionally, to the amount of service reduced in accordance with the bid price. Should additional services be required from this Contract, prices for such additions will be negotiated between the Contractor and the County.

**4.16 SUBCONTRACTING:**

The Contractor may not assign this Contract or Subcontract to another party for performance of the terms and conditions hereof without the written consent of the County. All correspondence authorizing subcontracting must reference the Bid Serial Number and identify the job project.

The Subcontractor's rate for the job shall not exceed that of the Prime Contractor's rate, as bid in the pricing section, unless the Prime Contractor is willing to absorb any higher rates. The Subcontractor's invoice shall be invoiced directly to the Prime Contractor, who in turn shall pass-through the costs to the County, without mark-up. A copy of the Subcontractor's invoice must accompany the Prime Contractor's invoice.

**4.17 AMENDMENTS:**

All amendments to this Contract must be in writing and signed by both parties.

**4.18 CONFORMATION WITH THE LAW:**

This service shall be accomplished in conformity with the laws, ordinances, rules, regulations and zoning restrictions of the United States of America, the State of Arizona, County of Maricopa, and the City of Phoenix.

**4.19 CONTRACT COMPLIANCE MONITORING:**

The Materials Management Department and the using Agency (ies) shall monitor the Contractors compliance with, and performance under, the terms and conditions of the Contract. The Contractor shall make available for inspection and/or copying by the County all records and accounts relating to the work performed or the services provided in this Contract.

**4.20 RETENTION OF RECORDS:**

The Contractor agrees to retain all financial books, records, and other documents relevant to this Contract for five (5) years after final payment or until after the resolution of any audit questions which could be more than five (5) years, whichever is longer. The Department, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine, copy and make use of any and all said materials.

**4.21 ADEQUACY OF RECORDS:**

If the Contractor's books, records and other documents relevant to this Contract are not sufficient to support and document that allowable services were provided. The Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

**4.22 AUDIT DISALLOWANCES:**

If at any time it is determined by the Department that a cost for which payment has been made is a disallowed cost, the Department shall notify the Contractor in writing of the disallowance and the required course of action, which shall be at the option of the Department either to adjust any future claim submitted by the Contractor by the amount of the disallowance or to require repayment of the disallowed amount by the Contractor forthwith issuing a check payable to Maricopa County.

**4.23 P.O. CANCELLATION LANGUAGE:**

The Department of Materials Management reserves the right to cancel Purchase Orders within a reasonable period of time after issuance. Should a Purchase Order be canceled, the County agrees to reimburse the Contractor but only for actual and documentable costs incurred by the Contractor due to and after issuance of the Purchase Order. The County will not reimburse the Contractor for any costs incurred after receipt of County notice of cancellation, or for lost profits, shipment of product prior to issuance of Purchase Order, etc.

Contractors agree to accept verbal notification of cancellation from the Department of Materials Management with written notification to follow. By submitting a bid/proposal in response to this Invitation For Bids, the Contractor specifically acknowledges to be bound by this cancellation policy.

**4.24 VALIDITY:**

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of this Contract.

**4.25 CONTRACTOR RESPONSIBILITY:**

The Contractor will be responsible for any damages whatsoever to County property as applicable when such property is the responsibility or in the custody of the Contractor, his employees or Subcontractors.

**4.26 GUARANTEE:**

The materials and supplies called herein shall be the best of their grade and types, prepared according to the best available standards or accepted formulas, and thoroughly tested and subjected to rigid examination and standardization. Items not meeting these requirements shall be replaced at no cost to the County upon due notice of deficiency.

**4.27 DELIVERY:**

It shall be the Contractor responsibility to meet the County's delivery requirements, as called for in the Technical Specifications. Maricopa County reserves the right to obtain services on the open market in the event the Contractor fails to make delivery and any price differential will be charged against the Contractor.

**4.28 PRICE REDUCTIONS:**

By submitting a bid or proposal in response to this Invitation For Bids, Contractors agree to guarantee that Maricopa County is receiving the lowest price offered by your company to other customers for similar services at comparable volumes in a similar geographic area. If at any time during the Contract period your company offers a lower price to another customer, notification not

be made of price reductions, upon discovery Maricopa County shall reserve the right to take any or all of the following actions:

- 4.28.1 Cancel the Contract, if it is currently in effect.
- 4.28.2 Determine the amount, which the County was overcharged and submit a request for payment from the Contractor for that amount.
- 4.28.3 Take the necessary steps to collect any performance surety provided on the applicable Contract.

4.29 RIGHTS IN DATA:

The County shall have the use of data and reports resulting from this Contract without additional cost or other restriction except as may be established by law or applicable regulation. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder.

4.30 SECURITY AND PRIVACY:

The Contractor agrees that none of its officers or employees shall use or reveal any research or statistical information furnished by any person and identifiable to any specific private person for any purpose other than the purpose for which it was obtained. Copies of such information shall not, without the consent of the person furnishing such information, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceedings, unless ordered by a court of competent jurisdiction. The County shall be notified immediately upon receipt of any such order of court, pertaining to production of such information.

The Contractor shall incorporate the foregoing provisions of this paragraph in all of its authorized subcontracts.

**HEWLETT-PACKARD, 8000 FOOTHILLS BLVD, MS 5637, ROSEVILLE CA 95747**

**S07-67-07**

Pricing based on the following quotes (See contract file):

Proposal Number: 57379791	Dated: May 5, 2000
Proposal Number: 57379795	Dated: May 5, 2000
Proposal Number: 57379792	Dated: May 5, 2000
Proposal Number: 57379797	Dated: May 5, 2000
Proposal Number: 57402549	Dated: May 8, 2000
<b>Proposal Number: 57461935</b>	<b>Dated: November 19, 2000</b>
<b>Proposal Number: 57574372</b>	<b>Dated: September 25, 2001</b>
<b>Proposal Number: 57574373</b>	<b>Dated: September 25, 2001</b>
<b>Proposal Number: 57574447</b>	<b>Dated: October 05, 2001</b>
<b>Proposal Number: 57574448</b>	<b>Dated: October 05, 2001</b>

Terms: Net 30

Vendor Number: 941081436 J

Federal Tax ID Number: 941081436

Contact Person: Ron Howard

Telephone Number: (800) 386-1115 ext 53984

Fax Number: (800) 472-2736

Contract Period: To cover the period ending **June 30, 2003**.